

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2002-2003. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicators are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year of the budget document.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: LICENSED AND APPROVED INSURANCE COMPANIES IN LOUISIANA					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of licensed domestic insurance companies ¹	202	200	200	178	172
Number of licensed foreign/alien insurance companies ²	1,698	1,705	1,717	1,919	1,713
Number of surplus lines companies approved and monitored ³	156	156	155	109	142
Total number of companies licensed and approved	2,056	2,061	2,072	2,206	2,027

¹ A domestic insurance company is an insurance company, formed under the laws of the State of Louisiana, that has filed an application with the Louisiana Department of Insurance (DOI) and been approved by the DOI to transact business.

² A foreign insurance company is an insurance company, formed under the laws of the District of Columbia or any state of the United States except the State of Louisiana, that has filed for and received a Certificate of Authority from the Louisiana Department of Insurance (DOI) to transact business in the state. An alien insurance company is an insurance company, formed under the laws of any country other than the United States, that has filed for and received a Certificate of Authority through the Louisiana DOI. Both foreign and alien insurance companies must comply with the provisions of the Louisiana Insurance Code (Title 22) in order to transact business in the state.

³ A surplus lines insurance company is an approved, unauthorized insurer that has met certain qualifications under the provisions of the Louisiana Insurance Code (Title 22), including filing an application and receiving approval to operate as an approved, unauthorized insurer. Surplus lines companies approved to operate in the state are placed on a list maintained by the Louisiana Department of Insurance.

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1. (KEY) Through the licensing division, to oversee the licensing of producers (formerly agents, brokers, solicitors) in the state, and to work with the Information Technology (IT) division to effect a smooth transition to the e-commerce environment.

Strategic Link: This operational objective is related to Strategic Objectives: I.3.1 - *Work with I.T. division to design the internet/website access to producer license renewals and resolve issues such as which hard documents must be maintained, methods of payment of fees, whether/how to accept sworn statements via online, validity of online signatures, etc.;* I.3.2 *Propose legislation to bring state laws, rules, regulations in compliance with National Association of Insurance Commissioners (NAIC) standards ;* I.3.3 - *Restructure producer licensing functions as necessary to operate in the e-commerce environment and to comply with NAIC standards.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: The Producer Licensing Division was formerly called the Agency Licensing Division. A statutory change resulted in all agents, brokers, and solicitors now being referred to as "producers."

Explanatory Note: The Department of Insurance will retain the existing indicator set for this objective until the on-line licensing programs are in place. Producer Licensing Division personnel are working closely with department information technology personnel to assure that when license renewals go on-line, documentation and data collection will meet the department's standards and those standards suggested by the performance auditor. Completion of on-line access to producer licensing renewal is being tracked and reported by the Information Technology Division as a performance indicator under Objective 4 of the Administration/Fiscal Program. The department indicates that performance indicators for this objective may be changed upon completion of on-line access to producer licensing renewal.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Number of new producer licenses issued ¹	9,739	16,877 ²	15,700	15,700	15,500 ³	7,500
K	Number of producer license renewals processed ¹	29,070	23,254 ⁴	29,090 ⁵	29,090 ⁵	24,000 ³	16,000
K	Number of company appointments processed	171,069	326,678 ⁶	277,720 ⁷	277,720 ⁷	275,000 ³	137,500

¹ The name of this indicator has been revised by the department to use the term "producer" where "agent" was previously used, because a statutory change resulted in all agents, brokers, and solicitors now being referred to as "producers"; this change does not alter the measurement method or the value being measured.

² The number of qualified applicants is what determines the number of licenses issued. More qualified persons than expected applied for and received new or renewal licenses. The department must issue or renew all licenses requested by qualified applicants.

³ A change in the law for licensing of producers (previously agents, agencies, solicitors, brokers) may change the number of new licenses, renewal licenses and appointments issued/processed. Because licenses renew in alternating years (Property & Casualty one year), until a full two-year cycle has been completed, the department warns that its estimates may not be as accurate as they have been under the previous law.

⁴ More renewal applications than the expected had to be returned to applicants for information that the applicants failed to provide.

⁵ Although the FY 2001-2002 performance standard is 29,090, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the year end figure will be 32,000.

⁶ A change in legislation and more company appointments requested than anticipated resulted in a larger number of appointments processed.

⁷ Although the FY 2001-2002 performance standard is 277,720, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the year end figure will be 137,500.

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GENERAL PERFORMANCE INFORMATION: PRODUCER LICENSING DIVISION					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of producer license examinations administered ¹	6,099	6,036	6,288	6,371	6,732
Total number of licensed producers ¹	Not Available	51,696	61,613	62,928	55,193
Number of continuing education courses reviewed	Not Available	850 ²	769 ²	1,173 ²	1,057 ²
Number of producer license inquiries received ^{1,3}	Not Available	118,532	76,217	116,945	108,054

¹ Where the term "agent" appeared previously the word "producer" now appears. A statutory change resulted in all agents, brokers, and solicitors now being referred to as "producers."

² Of the 850 continuing education courses reviewed in FY 1997-1998, 829 were approved and 21 were disapproved. In FY 1998-1999, of 769 courses received, 736 were approved and 26 were disapproved. In FY 1999-2000, of 1,173 courses received, 1,015 were approved and 158 were disapproved. In FY 2000-2001, of the 1,057 courses received, 961 were approved and 96 were disapproved.

³ As part of the licensing function, the Producer Licensing Division handles telephone calls and in-house visits by prospective license applicants and renewal applicants seeking assistance and information.

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2. (KEY) Through the Company Licensing Division, to review company applications and filings within an average of 120 days.

Strategic Link: This operational objective is related to Strategic Objective: I.4.1 - *Develop instructions for insurers to follow in preparing applications and filings for submission to the department and return to insurers those filings and applications that do not comply with those instructions.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: A Certificate of Authority is evidence of approval to operate in Louisiana. A Certificate of Authority is issued to a domestic, foreign, or alien insurer that has filed a complete application with the department and, after thorough review of the applicant's information, has been approved to operate in the state.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Percentage of company filings and applications processed during the fiscal year in which they are received ¹	Not Applicable ²	85% ²	85% ²	85% ²	85%	85%
K	Average number of days to review company filings and applications ³	120	137 ⁴	120 ⁴	120 ⁴	120	120

¹ Filings received in the last ninety days of the fiscal year are carried over into the next fiscal year.

² This was a new indicator for FY 2001-2002. It did not appear under Act 11 of 2000 and has no FY 2001-2002 performance standard. The department estimated that the FY 2000-2001 performance figure would be 85%, but did not provide an actual yearend performance figure for FY 2000-2001.

³ This indicator was formerly reported as "Percentage of applications and filings processed during the fiscal year of receipt." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁴ Processing time increased due to an increase in workload resulting from Medical Necessity Review Organization (MNRO) applications and filings. MNRO licensing began in January 2001. Review by the MNRO Division in the Office of Health and the fact that this was the first time these organizations were licensed in the state resulted in delays, as did the increase in workload in the Company Licensing Division. Although the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it still anticipates FY 2001-2002 average turnaround time to be 120 days, the department did note that processing of applications and filings for Medical Necessity Review Organizations (MNROs), including time taken for review of the applications/filings by the MNRO Division in the Office of Health, has slowed the work in the Company Licensing Division. The actual average turnaround time during the first quarter of FY 2001-2002 was 189 days.

Input and output indicators for the Company Licensing Division are shown in the General Performance Information table that follows.

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GENERAL PERFORMANCE INFORMATION: COMPANY LICENSING DIVISION			
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of company licensing applications and filings ^{1,2} pending at beginning of fiscal year	70	320	95
Number of company licensing applications and filings ^{1,2} received	63	79	167
Number of company licensing applications and filings ^{1,3} processed	78	114	87
Number of company licensing filings and applications approved	69	6	67
Number of company licensing filings and applications disapproved	4	73	4
Number of company licensing filings and applications withdrawn	5	0	16

¹ This includes applications and filings from MNROs, risk purchasing groups, viatical settlement providers, dental referral plans and third party administrators as well as the traditional insurers making filings.

² Filings and applications received in the last ninety days of the fiscal year will be counted in the next fiscal year.

³ "Processed" means that applications and filing have been reviewed and either approved or disapproved; applications may also be withdrawn by the company submitting them. The number here includes items processed from any existing backlog.

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3. (KEY) Through the Office of Financial Solvency, to monitor the financial soundness of regulated entities by performing examinations (according to statutorily mandated schedules) and financial analysis each fiscal year.

Strategic Link: This operational objective is related to Strategic Objective I.5.1 - *Monitor regulated entities to detect all adverse financial and other conditions, take remedial steps as necessary, and maintain compliance with NAIC standards for financial and market conduct examinations and analyses.*

Louisiana: Vision 2020 Link: Not Applicable

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: The examination and analysis program has resulted in earlier detection of troubled companies. There are two separate components of the program, each complementing the other. Annual analysis is the review of the required filings, ongoing operations and findings from prior examinations. Examination is the onsite/field examination of the company's financial status. Each company has a "score" developed from "weighted" factors that will determine its position on the examination schedule. Companies may be examined earlier, based on these scores. The department is currently examining companies more frequently than the statutorily mandated at least once every five years. Market conduct examinations may occur as a result of complaints or problems detected in other states, and may be performed in conjunction with a financial examination or independent of any financial examination. Findings from the financial examination are considered in the annual analysis, findings from the analysis feed into the scheduling of financial examinations and are used in preparing for the examinations.

Explanatory Note: A change in the law now allows domestic companies to maintain their financial records outside of the state. This could slow the examination schedule and is likely to make examination more costly when examiners are required to do their work out of state.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Number of market conduct examinations performed	30	29	23 ¹	23 ¹	30	30
K	Percentage of market conduct examinations performed as a result of complaints ²	Not Applicable ²	38% ²	Not Applicable ²	35% ³	33%	33%
K	Percentage of domestic companies examined (financial)	Not Applicable ⁴	20% ⁴	25% ⁵	25% ⁵	18%	18%
K	Percentage of domestic companies analyzed (financial) ⁶	Not Applicable ⁷	100% ⁷	100%	100%	100%	100%
S	Percentage of companies other than domestic companies analyzed	Not Applicable ⁸	25.50% ⁸	20% ⁸	20% ⁸	20%	20%
S	Number of zone examinations in which participating states file dissenting (minority) reports	Not Applicable ⁹	Not Available ⁹	Not Applicable ⁹	0 ⁹	0	0

¹ Although the FY 2001-2002 performance standard is 23, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be 30.

- ² In FY 2001-2002, the department introduced a performance indicator entitled "Percentage of market conduct exams performed as a result of complaints." The FY 2001-2002 performance standard is 25%. The department now wishes to discontinue that indicator, substituting a new indicator "Number of market conduct examinations performed as a result of complaints." This new indicator did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 or FY 2001-2002. The department did not provide an actual yearend number for FY 2000-2001. However, when the department initiated the "percentage" indicator in FY 2001-2002, the department estimated that 33% of market conduct examinations conducted in FY 2001-2002 (or 10 out of the 29 market conduct examinations that were conducted) would be performed as a result of complaints.
- ³ The value shown for existing FY 2001-2002 performance standard (35%) is an estimate of yearend performance not a performance standard. However, in its FY 2001-2002 First Quarter Performance Progress Report, the department indicated that it anticipates that 10 market conduct examinations will be performed as a result of complaints. The market conduct unit expect to do 10 of 30 investigations as a result of complaints and set their estimated performance standard at that value.
- ⁴ This performance indicator was introduced by the department for FY 2001-2002 performance reporting. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. The department estimated that the yearend performance figure for FY 2000-2001 would be 25%. However, the department did not provide an actual figure for FY 2000-2001.
- ⁵ Although the FY 2001-2002 performance standard is 25%, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be 18%. The department indicated that the performance standard should have been set at 20% as companies are to be examined at least once every five years. A group of companies not requiring examination on that schedule make up approximately 2% of the companies in the state.
- ⁶ This indicator was formerly reported as "Percentage of domestic companies analyzed." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.
- ⁷ This performance indicator appeared under Act 10 of 1999-2000 but did not appear under Act 11 of 2000-2001. The performance indicator was revived by the department for FY 2001-2002 performance reporting. As a result, there is no performance standard for FY 2000-2001. However, the department did report a yearend actual for the indicator.
- ⁶ This is a new indicator in 2002-2003 for which no prior-year actual, year-end performance standard or performance stand exists. Value(s) shown are estimates.
- ⁷ A zone examination is a financial examination in which examiners from other states in which the company operates participate.
- ⁸ This performance indicator was introduced by the department for FY 2001-2002 performance reporting. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. The department estimated that the yearend performance figure for FY 2000-2001 would be 25%. However, the department did not provide an actual figure for FY 2000-2001. Although the FY 2001-2002 performance standard is 25%, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be 18.7%.
- ⁹ This is a new performance indicator. It did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. No actual figure for FY 2000-2001 was reported by the department; DOI provided an estimated performance standard of "0." Zone exams are fairly rare when the examination and analysis program is working well, which it has for several years now.

For information on numbers of examinations performed (financial and market conduct), see the General Performance Information table that follows.

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GENERAL PERFORMANCE INFORMATION: FINANCIAL SOLVENCY - EXAMINATIONS AND ADMINISTRATIVE SUPERVISION					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of companies examined - financial ¹	Not Available	31	51	39	37
Number of companies examined - market conduct examination ¹	Not Available	Not Available	32	33	29
Number of companies analyzed ¹	Not Available	529	793	413	542
Number of companies in administrative supervision at start of fiscal year ¹	12	8	4	5	5
Number of companies placed in administrative supervision during fiscal year ¹	3	2	2	0	3
Number of companies restored to good health/removed from supervision during fiscal year ¹	3	2	4	0	4
Average number of months a company remains in administrative supervision ¹	22.0	28.9	30.0	23.7	24.2

¹ The term "companies" refers to traditional insurance companies, Health Maintenance Organizations (HMOs), self-insurance funds, third-party administrators, etc.

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4. (KEY) Through the Insurance Premium Tax and Surplus Lines Tax Division, to initiate collection producers on all insurance premium taxes and related penalties owed the state for that fiscal year.

Strategic Link: This operational objective is related to Strategic Objective(s): I.6.1 - *Continue to perform field audits of selected surplus lines brokers and desk examinations of all insurer premium tax returns.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: All tax returns filed are audited annually, resulting in additional taxes and/or penalties, or in credits toward the next year's tax, due depending on whether the insurer has overpaid or underpaid the tax due; in rare instances, a refund may be issued to the insurer.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Additional taxes and penalties assessed as a result of examination/audit (in \$ millions)	\$1.00	\$1.50	\$1.00 ²	\$1.00 ²	\$1.30	\$1.00
K	Percentage of surplus lines brokers examined ^{2, 3}	15%	29% ⁴	20%	20%	20%	20%
S	Number of field examinations of surplus lines brokers performed ⁵	40	57 ⁶	40	40	40 ⁶	40
S	Number of desk examinations performed for tax purposes ^{7, 8}	1,750	1,724	1,750	1,750	1,725	1,725

¹ Although the FY 2001-2002 performance standard is \$1.00, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be \$1.50.

² A surplus lines broker is a person who solicits negotiates or procures a policy of insurance with an approved, unauthorized insurer (surplus lines company) when insurance cannot be obtained from insurers licensed to do business in the state. There are approximately 200 surplus lines brokers in Louisiana.

³ This indicator was formerly reported as "Percentage of surplus lines broker field audits conducted for tax purposes." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made. The indicator was formerly reported in the Fiscal Affairs Division of the Administration/Fiscal Program.

⁴ Surplus lines examiners have gained experience and training and were able to do more exams than targeted.

⁵ The number of field exams was higher in FY 2000-01 because the unit was fully staffed and staff was trained. Loss of trained staff in FY 2001-02 may result in fewer field exams, thus the FY 02/03 continuation level has been estimated lower than actual number of exams performed in FY 2000-01.

⁶ Surplus lines examiners have gained experience and training and were able to do more exams than targeted.

⁷ This indicator was formerly reported as "Number of desk audits for tax purposes." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made. The indicator was formerly reported in the Fiscal Affairs Division of the Administration/Fiscal Program.

⁸ All tax returns filed undergo desk audit; there may be variations from year to year in the number of returns filed, and therefore in the number of returns audited.

Additional information related to this activity may be found in the General Performance Information table that follows.

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GENERAL PERFORMANCE INFORMATION: INSURANCE PREMIUM TAX AND SURPLUS LINES TAX DIVISION					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Tax collection as percentage of taxable premiums	1.694%	1.257%	1.250%	1.248%	1.130%
Taxable premiums (in \$ billions)	\$8.252	\$8.879	\$8.966	\$9.040	\$9.436
Additional taxes and penalties as a result of examination/audit (in \$ millions)	\$1.506	\$1.104	\$1.503	\$1.800	\$1.500

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5. (KEY) Through the Consumer Affairs Division, conclude investigations of Property and Casualty (P&C) related complaints within an average of 90 days.

Strategic Link: This operational objective is related to Strategic Objective(s): I.1.7 - *Increase the dept of experience and knowledge among personnel through increased training and mentoring of newer examiners by more experienced examiners.*

Louisiana: Vision 2020 Link: Not Applicable

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: A consumer complaint is investigated to conclusion--meaning that the Department of Insurance will determine whether the company met its responsibilities to the consumer within the applicable laws, rules, and regulations; this does not always lead to a result that is satisfactory to the consumer, nor does it always lead to recovery of claim payments or refunds of premiums. For example: A consumer may want a company to respond for something that is not covered by the policy, or may not be satisfied with the way the company handled a claim, but the company may have acted properly within the laws, rules, and regulations that apply to the situation that gave rise to the complaint.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Number of days to conclude a P&C complaint investigation ⁴	Not Applicable ¹	90	Not Applicable ¹	90 ^{1,4}	90	90
K	Amount of claim payments and/or premium refunds recovered for P&C complainants ^{2,4}	Not Applicable ³	\$4,439,049 ³	Not Applicable ³	\$2,500,000 ⁴	\$2,700,000	\$2,700,000

¹ Property and Casualty (P&C) and Life and Annuity (L&A) complaint investigations were formerly reported together. P&C and L&A complaint investigations are now being reported separately. Since the disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The value shown for existing performance standard is an estimate of yearend performance, not a performance standard.

² The Department of Insurance (DOI) realizes the value of the information provided by this indicator and has retained it as a key indicator, although the DOI is in a reactive rather than proactive mode relative to amounts of claim payments and/or premium refunds recovered for consumers. The facts of each case determine whether any recovery is appropriate.

³ P&C and L&A claim payments and/or premium refunds recovered for complainants were formerly reported together. P&C and L&A recoveries are now being reported separately. Since the disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The value shown for existing performance standard is an estimate of yearend performance, not a performance standard.

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Explanatory Note: The department's Unix database does not maintain data in a way that allows us to break P&C complaints apart from L&A complaints and P&C forms from L&A years. The figures provided were developed through a manual count that constitutes, at best, an estimate for the values in the GPI table.

GENERAL PERFORMANCE INFORMATION: CONSUMER AFFAIRS DIVISION, PROPERTY AND CASUALTY (P&C) COMPLAINTS					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of P&C complaints received ¹	Not Available ²	Not Available ²	Not Available ²	2,278	2,388
Number of P&C complaints investigations concluded	Not Available ²	Not Available ²	Not Available ²	Not Available ²	2,926
Number of P&C inquiries received ³	Not Available ²	Not Available ²	Not Available ²	Not Available ^{1,3}	1,843

¹ Complaints received during the last ninety days of the fiscal year may be counted in the next fiscal year.

² In prior years P&C and Life and Annuity (L&A) complaints were reported together; they are now being reported separately. For that reason, data exclusive to P&C complaints are not available.

³ Inquiries include telephone calls, walk-ins, e-mail and regular mail, any inquiry short of a formal complaint

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6. (KEY) Through the Policy Forms Review Division, review and approve or disapprove Property and Casualty (P&C) contract/policy forms within 90 days average.

Strategic Link: This operational objective is related to the Strategic Objective(s): I.1.8 - *Increase the dept of experience and knowledge among personnel through increased training and mentoring of newer examiners b more experienced examiners.*

Louisiana: Vision 2020 Link: Not Applicable

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: Forms must be reviewed when a company wishes to introduce a new product and when laws, rules, and regulations require changes to policy forms. Review and approval of forms is required before a policy/product can be sold or used in the state. Delays in reviewing and approving forms can impact access of Louisiana insurance consumers to new products and can delay the sale/use of forms changed as a result of changes in laws, rules, or regulations. A contract/policy form submitted for approval may be one paragraph or more 100 pages. The Department of Insurance is working to develop written instructions for use by companies so that their submissions are more likely to be in the proper format and include the required elements.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Average number of days to process P&C contract/policy forms ¹	Not Applicable ²	40	Not Applicable ²	90 ²	90	105
K	Percentage of P&C contract/policy forms approved ¹	Not Applicable ³	33% ³	Not Applicable	50% ³	50%	35%

¹ Property and Casualty (P&C) and Life and Annuity (L&A) form reviews were formerly reported together but are now being reported separately.

² This is a new performance indicator, which separates P&C contract/policy forms processing from L&A processing. Since the new disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The value shown for existing performance standard is an estimate of yearend performance, not a performance standard.

³ This is a new performance indicator, which separates P&C contract/policy forms approved from L&A forms approved. Since the new disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The department indicates that it is unable to report actual data related only to P&C contract/policy forms approved for FY 2000-2001. The value shown for existing performance standard is an estimate of yearend performance, not a performance standard. Figures provided for FY 2000-01 year end performance are very rough estimates, developed by manually counting. The Unix based system that houses the data base for this function does not allow us to go back for historical data, making it very difficult to break out the P&C complaints and forms from the L&A complaints and forms, all of which were reported together previously. We have done our best to provide a value here, but is only an estimate.

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PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: POLICY FORMS REVIEW DIVISION, PROPERTY AND CASUALTY CONTRACT/POLICY FORMS					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of P&C contract/policy forms pending at beginning of fiscal year ¹	Not Available ²	Not Available ²	Not Available ²	35,908	2,806
Number of P&C contract/policy forms received ¹	Not Available ²	Not Available ²	Not Available ²	20,304	31,742
Number of P&C contract/policy forms processed ³	Not Available ²	Not Available ²	Not Available ²	20,056	33,157

¹ Forms received in the last ninety days of the fiscal year may be carried over into the next fiscal year

² In prior years the figures for P&C and L&A forms were counted as one figure; the re-organization of certain functions in the department has resulted in the two types of forms being counted separately. The department is unable to disaggregate the P&C data from the combined P&C and L&A information collected and reported in prior fiscal years.

³ A processed form is a form that has been approved, disapproved, or on which some transaction has taken place, such as returning form to company for additional information, corrections, etc. Each return of the form to the company counts as a processing. For FY 2000-01, 67% were disapproved and 33% were approved.

DEPARTMENT ID: 04-165 LOUISIANA DEPARTMENT OF INSURANCE
 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

7. (SUPPORTING) Through the Rate and Rule Review/Approval Division, Office of Property & Casualty Insurance, to provide preparatory and support work/services to the appointed LIRC (Louisiana Insurance Rating Commission) for rate and rule change submissions that require actions by the LIRC.

Strategic Link: This operational objective is related to the Strategic Objective(s): I.9.1 - *Design, create, and train personnel in the use of automated processes for rate/rule review/approval*; I.9.2 - *Develop and distribute instructions for industry to follow in preparing rate/rule filings for submission*; I.9.3 - *Develop and implement automated reporting system on tracking of filings/submissions from receipt at OPAC through final action by LIRC*.

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: The Office of Property and Casualty Insurance (OPAC) was formerly the Office of the Insurance Rating Commission. The OPAC Rate and Rule Review Division, provides support services to the seven-member Louisiana Insurance Rating Commission (LIRC) (which includes the elected commissioner of insurance and six members appointed by the governor) in the form of preparatory work on rate and rule filings, including actuarial review and preparation of recommendations for the commission. The Department of Insurance indicates that the performance indicators shown below reflect the work actually performed by the Rate and Rule Review Division staff and are a good measure of its efficiency. Data in the GPI chart that follows this indicator set is more reflective of the actions taken by the LIRC.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
S	Average number of days from receipt of filing/submission by OPAC to placement on rating commission agenda ^{1,2}	Not Applicable ¹	Not Available ¹	Not Applicable ¹	24 ¹	24	24
S	Average number of days from receipt of filing/submission by actuary from OPAC support staff to actuary's recommendation ^{1,2}	Not Applicable ¹	Not Available ¹	Not Applicable ¹	35 ¹	35	35

¹ This is a new performance indicator. It did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. The department is unable to provide an actual figure for FY 2000-2001. The department did not provide an estimate of FY 2001-2002 yearend performance. Therefore, the basis upon which the department developed its continuation level value and proposed performance standard for FY 2002-2003 is unknown.

² Previous performance indicators focused on number of submissions acted upon, approved, rejected, etc., (indicators that are now reported as General Performance Information. However, there was no indicator for the number of submissions received. The department has added this indicator as part of the tracking process for the preparatory and support work performed by OPAC for the LIRC.

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 AGENCY ID: 04-165 Commissioner of Insurance
 PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: LOUISIANA INSURANCE RATING COMMISSION (LIRC) AND RATE AND RULE REVIEW/APPROVAL DIVISION OF THE OFFICE OF PROPERTY AND CASUALTY INSURANCE ¹					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Total written premiums (property, casualty, surety and inland marine) subject to regulation by the LIRC (in \$ billions)	\$3.996	\$4.574	\$4.590	\$4.529	\$4.676
Number of submissions reviewed by actuary	Not Available	Not Available	572	427	451
Number of rate/rule change submissions acted upon by the LIRC	682	1,438	632	427	451
Number of rate/rule change submissions approved	375	470	456	295	283
Number of rate/rule change submissions approved at lesser amount than requested	221	13	14	16	Not Provided
Number of rate/rule change requests not approved ²	86	87	116	128	131
Average percentage change in rates approved by the LIRC	2.93%	-2.64%	2.62%	-1.09%	2.07%
Total written premiums (property, casualty, surety and inland marine) subject to regulation by the LIRC (in \$ billions)	\$3.996	\$4.574	\$4.590	\$4.529	\$4.676
Market impact of rate change submissions approved	1.80%	-2.22%	2.62%	-0.66%	1.79%
Number rate/rule submissions received	2,001	2,327	2,556	1,926	1,946

¹ Indicators reported here are, with the exception of "Number of submissions reviewed by actuary," a reflection of the actions of the seven-member Louisiana Insurance Rating Commission, which includes the elected commissioner of insurance and six members appointed by the governor. Staff of what is now the Office of Property & Casualty Insurance, Rate and Rule Review Division, perform preparatory and support work for LIRC.

² This indicator was formerly reported as "Number of rate/rule change requests rejected." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

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 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

8. Through the Consumer Affairs Division, to assist consumers by investigating to conclusion complaints against Life and Annuity (L&A) producers and companies.

Strategic Link: This operational objective is related to Strategic Objective(s): 1.10.1 - *Increase the depth of experience among personnel through increased training and mentoring of newer examiners by more experienced examiners.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: A consumer complaint is investigated *to conclusion*- meaning that the Department of Insurance will determine whether the company met its responsibilities to the consumer within the applicable laws, rules and regulations; this does not always lead to a result that is satisfactory to the consumer, nor does it always lead to recovery of claim payments or refunds of premiums. For example: A consumer may want a company to respond for something that is not covered by the policy, or may not be satisfied with the way the company handled a claim, but the company may have acted properly within the laws, rules and regulations that apply to the situation that gave rise to the complaint.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003
K	Average number of days to investigate to conclusion a L&A complaint ¹	Not Applicable ²	81 ²	Not Applicable ²	99 ²	80
K	Amount of claim payments/premium refunds recovered for complainants	Not Applicable ²	\$622,784 ²	Not Applicable ²	\$850,000 ²	\$1,000,000

¹ Life and Annuity (L&A) and Property and Casualty (P&C) complaint investigations were formerly reported together but are now being reported separately.

² L&A and P&C complaint investigations were formerly reported together but are now being reported separately. Since the disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The department indicated that data for L&A complaint investigations are not available separately for FY 2000-2001; however, in its FY 2000-2001 Fourth Quarter Performance Progress Report, the department indicated 90 days for P&C and L&A claim investigations combined. The department did not provide an estimate of FY 2001-2002 yearend performance. The basis upon which the department formulated its continuation level value and proposed performance standard is unknown. Values shown are estimates, not actual performance standards. Prior year values are also estimates. The Unix system where the database is housed makes it very difficult if not impossible to provide historical data on P&C and L&A complaints separately. We performed manual counts to provide the estimates shown. Average days to conclude L&A complaints may be high as we clear old backlog cases that are showing our average.

³ L&A and P&C claim payments and/or premium refunds recovered for complainants were formerly reported together. L&A and P&C recoveries are now being reported separately. Since the disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The department indicated that data for L&A claims and recoveries are not available separately for FY 2000-2001; however, in its FY 2000-2001 Fourth Quarter Performance Progress Report, the department indicated \$7,310,587 in recoveries for both P&C and L&A claimants. That same \$7,310,587 is reported in Objective 5 as the FY 2000-2001 actual for P&C claim recoveries alone. This indicates that no recoveries for L&A claimants were made in FY 2000-2001. The department did not provide an estimate of FY 2001-2002 yearend performance. The basis upon which the department formulated its continuation level value and proposed performance standard is unknown.

⁴ The Department of Insurance realizes the value of this data to the legislature, consumers and other interested parties; however, this is an area in which the department is reactive rather than proactive, as the facts of each complaint will determine the amount, if any, of recovery.

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AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: CONSUMER AFFAIRS DIVISION					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of L&A complaints received ^{1,3}	Not Available ²	Not Available ²	Not Available ²	Not Available ²	603
Number of L&A complaints investigations concluded ^{1,3}	Not Available ²	Not Available ²	Not Available ²	Not Available ²	613
Number of L&A inquiries received ³	Not Available ²	Not Available ²	Not Available ²	Not Available ²	17,979

¹ Complaints received during the first ninety days of the fiscal year may be counted in the next fiscal year² In prior years P & C and L& A complaints were reported together; they are now being reported separately as a result of reorganization of functions within the Department of Insurance.³ Inquiries include telephone calls, walk-ins, e-mail and regular mail - any inquiry short of a formal complaint

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9. (KEY) Through the Life and Annuity (L&A) Contract/Policy Forms Review Division, to review and approve or disapprove Life and Annuity contract/policy within an average of 30 days during the fiscal year.

Strategic Link: This operational objective is related to Strategic Objective(s): I.11.1 - Increase the depth of experience and knowledge among personnel through increased training and mentoring of newer examiners by more experienced examiners.

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003
K	Percentage of L&A contract/policy forms approved ¹	Not Available ²	85% ²	Not Applicable ²	60% ²	60% ²
K	Average number of days to process L&A contract/policy forms ^{3,4}	Not Available ^{1,2}	15 ^{1,2}	Not Applicable ^{1,2}	40 ^{1,2}	30 ²

¹ Life and Annuity (L&A) and Property and Casualty (P&C) complaint investigations were formerly reported together but are now being reported separately.

² L&A and P&C contract/policy forms reviews were formerly reported together but are now being reported separately. Since the disaggregated performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001, the indicator has no performance standards for FY 2000-2001 or FY 2001-2002. The department indicated that data for L&A complaint investigations are not available separately for FY 2000-2001; however, in its FY 2000-2001 Fourth Quarter Performance Progress Report, the department indicated 90 days for P&C and L&A claim investigations combined. We estimate that currently the approval percentage is 60 and are using that as our existing performance standard FY 2001-02. We estimate current processing time as approximately 40 days.

³ Forms received in the last ninety days of the fiscal year may be carried over into the following fiscal year.

⁴ The Department of Insurance is developing written instructions to assist companies in submitting forms in the proper format, with all required elements. This indicator is a measure of how well the education process is working. As companies become better educated, the approval percentage should increase.

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GENERAL PERFORMANCE INFORMATION: LIFE AND ANNUITY (L&A) CONTRACT/POLICY FORMS REVIEW DIVISION					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of L&A contract/policy forms pending at beginning of fiscal year ¹	Not Available ²	Not Available ²	Not Available ²	309 ²	345
Number of L&A contract/policy forms received ¹	Not Available ²	Not Available ²	Not Available ²	7,789 ²	6,614
Number of L&A contract/policy forms processed ^{3,4}	Not Available ²	Not Available ²	Not Available ²	8,166 ²	9,591 ⁵

¹ Forms received in the last 90 days of the fiscal year may be carried over into the next fiscal year

² In prior years the figures for P&C and L&A forms were counted as one figure; the re-organization of certain functions in the department has resulted in the two types of forms being counted separately. The department is unable to disaggregate the P&C data from the combined P&C and L&A information collected and reported in prior fiscal years.

³ Processed means that a form was reviewed and either approved or disapproved, or that it has been returned to the company for additional information, correction, or revision

⁴ The number of forms processed is greater than the sum of the forms pending at start of fiscal year and the forms received during the fiscal year because the department counts as "processed" each transaction during the review/approval process. A form returned to the company for additional information, correction, or other action (prior to final approval or disapproval) is added to the count as a processed form. For FY 1999-00, 7,789 forms were approved, 798 were disapproved and 29 withdrawn, per our best estimates since L&A and P&C forms and complaints were kept together and our Unix system makes it difficult if not impossible to separate. For FY 2000-01, 5,870 forms were approved, 832 were disapproved and 71 were withdrawn. These are our best estimates.

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10. (KEY) Through the Fraud Division, to reduce incidences of insurance fraud in the state.

Strategic Link: This operational objective is related to Strategic Objective(s): I.12.1 - *Work with the producer and company licensing divisions to educate insurers and producers license applicants in proper submission of complete applications*; I.12.2 - *Increase the depth of knowledge and training among personnel by increased mentoring of newer examiners by more experienced examiners.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: Fraud measures combine claim fraud with producer/company fraud investigations. The Department of Insurance's Fraud Division assists with investigations of claim fraud but has no enforcement authority in that area. Companies report suspected instances of claim fraud to the department. Actual enforcement and prosecution of claim fraud rests with the Louisiana State Police (in the Department of Public Safety and Corrections - Public Safety Services) and the Louisiana Department of Justice.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Percentage of initial claim fraud complaint investigations completed within 10 working days ¹	Not Applicable ²	80% ²	80%	80%	85%	85%
K	Percentage of background checks completed within 15 working days ³	Not Applicable ⁴	80% ⁴	80%	80%	85%	85%

¹ Initial investigation means that the report is investigated to determine whether a full investigation should be initiated, or if the report should be entered into the database and maintained for possible additional investigation at a later date.

² This performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. Although the department introduced the indicator for FY 2001-2002 and estimated that yearend FY 2000-2001 performance would be 80%, the department indicates that no prior year actual figure for FY 2000-2001 is available. The department formerly reported an indicator "Number of agent/company investigations opened." However, that indicator has been moved to General Performance Information (GPI) by the department. For FY 2001-2002, the department also initiated an indicator "Number of agent/company investigations referred to law enforcement agencies" that also has been moved to GPI status. The department contends that a percentage completion indicator is a better measure of the work it does.

³ The fraud unit is working with producer and company licensing divisions to educate producers and companies in the submission of properly and fully completed applications. Most delays in completing background checks occur as a result of incomplete information submitted by the company or producer.

⁴ This performance indicator did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. Although the department introduced the indicator for FY 2001-2002 and estimated that yearend FY 2000-2001 performance would be 80%, the department indicates that no prior year actual figure for FY 2000-2001 is available.

Note: Input indicators and output indicators on number of cases received, number referred to law enforcement and number of background checks performed are in the General Performance Information table that follows this objective.

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PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: FRAUD DIVISION ACTIVITIES					
	PERFORMANCE INDICATOR VALUES				
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of claim fraud investigations opened ^{1, 2}	292	678	950	495	504
Number of claim fraud investigations referred to law enforcement agencies ^{1, 2}	7	24	26	3	16
Number of producer/company fraud investigations opened	20	39	9	379	816
Number of producer/company fraud investigations referred to law enforcement	1	5	108 ⁴	12	108 ⁴
Number of background checks performed for producer and company licensing divisions ⁵	120	1,151	1,514	2,045	2,242

¹ This indicator was formerly reported as "Number of claim fraud cases received." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

² The Department of Insurance's Fraud Division assists with investigations of claim fraud but has no enforcement authority in that area. Companies report suspected instances of claim fraud to the department. Actual enforcement and prosecution of claim fraud rests with the Louisiana State Police (in the Department of Public Safety and Corrections - Public Safety Services) and the Louisiana Department of Justice.

³ This indicator was formerly reported as "Number of claim fraud cases referred to law enforcement agencies." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁴ The number of producer/company investigations referred to law enforcement in FY 1998-1999 and FY 2000-2001 are abnormally high as a result of a joint project involving the Department of Insurance's Fraud Division, the Federal Bureau of Investigation, and the Insurance Fraud Unit within the Louisiana State Police. That project is drawing to a close, and the department anticipates that the number of referrals for producer/company investigations will drop significantly.

⁵ This indicator was formerly reported as "Number of background checks performed for agent and company licensing." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

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11. Through the Quality Management Division of the Office of Health Insurance, to investigate to conclusion consumer health insurance related complaints.

Strategic Link: This operational objective is related to Strategic Objective(s): 1.13.1 - *Increase the depth of experience and knowledge among personnel through increased training and mentoring of newer examiners by more experienced examiners*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: A consumer complaint is investigated *to conclusion* - meaning that DOI will determine whether the company met its responsibilities to the consumer within the applicable laws, rules and regulations; this does not always lead to a result that is satisfactory to the consumer, nor does it always lead to recovery of claim payments or refunds of premiums. For example: A consumer may want a company to respond for something that is not covered by the policy, or may not be satisfied with the way the company handled a claim, but the company may have acted properly within the laws, rules and regulations that apply to the situation that gave rise to the complaint.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Average number of days to investigate to conclusion a consumer health complaint ^{1, 2}	90	90	90	90	90	120
K	Amount of claim payments/premium refunds recovered for health coverage complainants ^{3, 4}	\$1,000,000	\$2,636,926	\$1,500,000	\$1,500,000	\$2,000,000	\$1,666,667

¹ Any complaint received in the last ninety days of the fiscal year may be carried over into the next fiscal year.

² This indicator was formerly reported as "Average number of days to conclude a health insurance complaint investigation." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

³ The Department of Insurance realizes the value of this data to consumers, the legislature and others; however, this is an area in which the department must be reactive rather than proactive because the facts of each case will determine the amount of recovery to the complainant, if any.

⁴ This indicator was formerly reported as "Amount of health insurance claim payments and/or premium refunds recovered for complainants." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

Note: See the General Performance Information table that follows this objective for additional performance indicators related to investigation of health complaints.

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GENERAL PERFORMANCE INFORMATION: HEALTH INSURANCE-RELATED COMPLAINTS					
	PERFORMANCE INDICATOR VALUES				
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of health complaints received ^{1, 2}	Not Available	Not Available	2,013	2,268	2,066
Number of health complaint investigations concluded ³	Not Available	Not Available	2,013	2,951	2,138
Number of health insurance-related inquiries received ^{4, 5}	Not Available	Not Available	12,139	26,757	30,458

¹ This indicator was formerly reported as "Number of health insurance-related complaints received." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

² Complaints received during the last 90 days of the fiscal year may be counted in the next fiscal year.

³ This indicator was formerly reported as "Number of health insurance-related complaint investigations concluded." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁴ This indicator was formerly reported as "Number of health insurance-related inquiries received." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁵ Inquiries include telephone calls, walk-ins, e-mail and regular mail-any inquiry short of a formal complaint.

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12. (KEY) Through the Contract/Policy Forms Review Section of the Quality Management Division of the Office of Health, to review health-related contract/policy forms, advertising and rates, and approve or disapprove them per applicable laws, rules and regulations.

Strategic Link: This operational objective is related to Strategic Objective(s): I.14.1 - *Increase the depth of experience and knowledge among personnel through increased training and mentoring of newer examiners by more experienced examiners.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: The Department of Insurance is considering a change to "file and use" for contract/policy forms. Under File and Use, an insurer would file its contract/policy forms with the department and begin to use them in the state without prior review/approval of the department. The department would respond to complaints and take action against companies whose forms are found to be out of compliance with applicable laws, rules and regulations. If File and Use is adopted, the percentage of approved contract/policy forms would increase and the time to review would decrease.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Average number of days to process health contract/policy forms, advertising and rates ^{1,2}	Not Applicable	60 ³	60	60	45 ⁴	45
K	Percentage of health contract/policy forms, advertising and rates approved ^{5,6}	Not Applicable	39% ⁷	50%	50%	50%	50%

¹ This indicator was formerly reported as "Average number of days to process health insurance contract forms and rates." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

² Forms received in the last 90 days of the fiscal year may be carried over into the following fiscal year.

³ This indicator was new for FY 2001-2002. It did not appear under Act 11 of 2000 and has no FY 2000-2001 performance standard. Although the department estimated a FY 2000-2001 yearend performance level of 120 days for this indicator, the department indicates that no actual data are available for FY 2000-2001.

⁴ If "File and Use" is adopted, the time for approval of policy/contract forms is likely to decrease to approximately 30 days. The current 60-day turnaround time has been achieved only with staff working overtime.

⁵ This indicator was formerly reported as "Percentage of health insurance contract forms/rates approved" The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁶ The Department of Insurance is developing written instructions to assist companies in submitting forms in the proper format, with all required elements. This indicator is a measure of how well the education process is working. As companies become better educated, the approval percentage should increase and the average days to review should decrease.

⁷ This indicator was new for FY 2001-2002. It did not appear under Act 11 of 2000 and has no FY 2000-2001 performance standard. Although the department reported a FY 1999-2000 actual of 59.5% and estimated a FY 2000-2001 yearend performance level of 39% for this indicator, the department indicates that no actual data are available for FY 2000-2001.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: CONTRACT/POLICY FORMS REVIEW SECTION, QUALITY ASSURANCE DIVISION, OFFICE OF HEALTH					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of health contract/policy forms, advertising and rates pending at beginning of fiscal year ^{1, 2}	Not Available	Not Available	Not Available	Not Available	2,625
Number of health insurance contract/policy forms, advertising and rates received ³	Not Available	Not Available	2,444	5,881	5,326
Number of health insurance contract forms/rates processed ^{4, 5, 6}	Not Available	Not Available	4,654	6,357	10,474 ⁷

¹ This indicator was formerly reported as "Number of health insurance contract forms/rates pending at start of fiscal year." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

² Items received in the last 60 days of the fiscal year may be carried over into the next fiscal year

³ This indicator was formerly reported as "Number of health insurance contract forms/rates received." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁴ This indicator was formerly reported as "Number of health insurance contract forms/rates processed." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

⁵ "Processed" means that a form was reviewed and either approved or disapproved, or that the form has been returned to the company for some reason but has not been finally disapproved. See Footnote 7 below.

⁶ Only the Office of Health reviews and approves rates in the section reviewing contract/policy forms and advertising. The Louisiana Insurance Rating Commission handles rate review and approval on Property & Casualty items. There is no rate review for Life and Annuity items.

⁷ The number of forms processed is higher than the sum of the number pending at start of fiscal year and the number received because of the way "processed" forms are counted; if a form is sent back to the company for additional information or a change, that transaction is counted as a "processing".

DEPARTMENT ID: 04-165 LOUISIANA DEPARTMENT OF INSURANCE
 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

13. (KEY) Through the Health Quality Assurance Division, Medical Necessity Review Organization (MNRO) Section, to oversee the licensing and examination of MNRO's handle MNRO-related consumer complaints.

Strategic Link: This operational objective is related to Strategic Objective(s): 1.15.1 - *Increase the depth of experience and knowledge among personnel through increased training and mentoring of newer examiners by more experienced examiners.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: In the 1999 Regular Session, the Louisiana Legislature enacted Chapter 7 of Title 22, Louisiana Revised Statutes, establishing minimum standards for Medical Necessity Review Organizations (any entity that determines what medical services or procedures will be covered under a health benefit plan based on medical necessity) and requiring that those organizations be subject to licensing requirements effective January 1, 2001. These organizations will be subject to examination by the commissioner of insurance no less frequently than once every three years.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
S	Number of MNROs to be examined per statutory schedule (desk examinations)	Not Applicable ¹	0 ¹	Not Applicable ¹	0 ¹	0 ¹	0
K	Number of MNROs examined	Not applicable ¹	0	Not Applicable ¹	0 ¹	0 ¹	0
K	Number of MNRO complaints investigated to conclusion	Not Applicable ²	Not Available ²	Not Applicable ²	500 ²	500 ²	500
K	Average number of days to investigate MNRO claim to conclusion ²	Not Applicable ²	Not Available ²	Not Applicable ²	90 ²	90 ²	90

¹ This is a new indicator for FY 2002-2003. It did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. The value shown for existing performance standard is an estimate of yearend performance not a performance standard. MNROs were first licensed beginning January 2001; licensing is almost complete, as of October 2001. There are roughly 150 MNROs in the state licensed or awaiting approval of their applications for licensure. By statute, MNROs must be examined at least once every 3 years; however, the first examination cycle will not begin until FY 2003-2004. If complaints or trends indicate that there may be a problem with an MNRO, an examination might be performed before the first examination cycle begins in FY 2003-2004.

² There was no specific law for dealing with MNRO complaints prior to the enactment of Chapter 7 of Title 22. See Explanatory Note, above. This is a new performance indicator. It did not appear under Act 11 of 2000 or Act 12 of 2001 and has no performance standards for FY 2000-2001 and FY 2001-2002. MNRO complaints have been handled with health complaints in the past. However, the department has no historical data in order to report an actual yearend performance figure for FY 2000-2001. The department did not provide an estimate of yearend FY 2001-2002 performance. The department is estimating the number of MNRO complaints that will be investigated to conclusion at continuation level, but the basis on which this estimate is made is unknown. MNRO complaints have never been tracked as a separate claim type and move not get been separated from other health insurance related complaints. The values shown are very rough estimates, not actual performance standards.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: CONTRACT/POLICY FORMS REVIEW SECTION, MEDICAL NECESSITY REVIEW ORGANIZATION (MNRO) SECTION, OFFICE OF HEALTH					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of MNRO filings and applications (new and renewal) received ¹	Not Available	Not Available	Not Available	Not Available	103 ²
Number of MNRO filings and license applications (new and renewal) processed ³	Not Available	Not Available	Not Available	Not Available	80 ²

¹ Items received in the last sixty days of the fiscal year may be carried over to the next fiscal year² The figure provided represents all MNRO filings/applications received and all MNRO filings/applications processed as of 10/15/01. This spans two fiscal years, but the count was kept cumulatively with no distinction between the fiscal years.³ Processed means that an item has been reviewed and either approved or disapproved.

DEPARTMENT ID: 04-165 LOUISIANA DEPARTMENT OF INSURANCE
 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

14. (KEY) Through the Senior Health Insurance Information Program (SHIIP) to provide services and information about insurance and related subjects (Medicare, for example) to senior citizens throughout the state.

Strategic Link: This operational objective is related to Strategic Objective(s): I.16.1 - *Increase public awareness of the program and various meetings, fairs, etc. for seniors to increase the number of Louisiana: Vision 2020* Link: Not Applicable
 Children's Cabinet Link: Not Applicable
 Other Link(s): Not Applicable

Explanatory Note: SHIIP is 75% funded by a federal grant.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Estimated savings to counseled senior health clients ¹	\$350,000	\$907,376	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
K	Number of seniors receiving services (telephone, home-site, at fairs, group presentations, etc.) ²	6,000	17,328 ³	8,500 ⁴	8,500 ⁴	18,000	18,000

¹ SHIIP estimates savings to seniors by using a formula developed by the Federal Health Care Financing Administration (HCFA) and the Insurance Counseling and Assistance National Performance Reporting Subcommittee. The formula is used in reporting to HCFA. Savings may result when Medicare Supplement claim filing assistance results in the 20% that Medicare does not pay being counted, or when an examination of the senior's finances indicates that he/she might be eligible for a program that allows Medicaid to pay the Medicare deductible, co-insurance and premiums, or when seniors elect a Medicare HMO as opposed to Medicare coverage which had cost \$100 per month and that \$1200 per year is then saved. The savings, if any, depend upon the situation of the senior being assisted.

² This indicator was formerly reported as "Number of inquiries handled and home-site counseling services provided." The indicator name has been changed by the department; however, the department contends that no changes have been made in what the indicator measures or how that measurement is made.

³ Non-renewal of Medicare health maintenance organizations (HMOs) in some areas resulted in more seniors calling for information or assistance.

⁴ Although the FY 2001-2002 performance standard for this indicator is 8,500, the department indicates in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be 15,000.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: SENIOR HEALTH INSURANCE INFORMATION PROGRAM (SHIIP)					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of group presentations provided	Not Available	Not Available	45	134	125
Number in attendance at group presentations	Not Available	Not Available	2,153	7,561	7,396
Number of senior health volunteer counselor training sessions conducted	Not Available	Not Available	5	11	9
Number of senior health publications distributed	Not Available	Not Available	35,432	45,880	71,351

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 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

15. (SUPPORTING) Through the legal affairs division, to represent the department in hearings, promulgate rules and regulations within 9 months and achieve a turn-around time of 4 weeks for requests for internal legal and policy opinions.

Strategic Link: This operational objective is related to Strategic Objective(s): I.17.1 - *Staff attorneys increase their knowledge through attending continuing education seminars, courses, programs, etc. ; I.17.2 - Attorneys and staff use standardized forms and procedures for handling of routine violations of Title 22.*

Louisiana: Vision 2020 Link: Objective 1.8: To improve the efficiency and accountability of governmental agencies.

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: The timeframes targeted in the performance indicators that appear below are set by the department's executive counsel as an internal effort directed toward quality and efficiency.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
S	Percentage of hearings scheduled within six weeks ¹ of referral	Not Applicable ¹	56% ¹	80%	80%	80%	80%
S	Percentage of hearings resulting in regulatory action	Not Applicable ²	45% ²	39%	39%	65%	65%
S	Percentage of rules and regulations promulgated within 9 months of initial request	Not Applicable ³	43% ³	70%	70%	70%	70%
S	Percentage of internal legal and policy opinions issued within 4 weeks of request	Not Applicable ⁴	56% ⁴	80% ¹	80%	80%	80%
S	Percentage of staff attorneys completing at least 15 hours of continuing legal education during fiscal year	Not Applicable ⁵	100% ⁵	100% ¹	100%	100%	100%

¹ This indicator was introduced for FY 2001-2002. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. Although the department estimated a FY 2000-2001 yearend performance level of 80%, yearend actual for FY 2000-2001 was 56%. The indicator provides a percentage measure where a number measure was used in prior years. The head of the department's legal affairs division requested the change, believing that percentage values were a better measure than counts of items. The number of hearings in which the department must be represented is reported as General Performance Information in the table that follows this objective.

- ² This indicator was introduced for FY 2001-2002. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. The yearend actual value shown for FY 2000-2001 was developed by dividing the number of hearings resulting in regulatory action by the total number of hearings in which the department was represented. A hearing may or may not result in a regulatory action. Multiple actions may result from one hearing, or a hearing may be deferred to a later date. It is not unusual for a party brought to hearing by the department to settle the matter just short of hearing, in which case the party will have met the department's demand(s) on the issue in dispute. Stipulations are counted as regulatory actions for purposes indicator value(s). A cease and desist order may be issued as a result of a hearing or independent of a hearing. An indicator measuring the percentage of cease and desist orders issued within 5 days of final approval was introduced for FY 2001-2002 (with a performance standard of 100%) but has been discontinued by the department for FY 2002-2003.
- ³ This indicator was introduced for FY 2001-2002. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. Although the department estimated a FY 2000-2001 yearend performance level of 70%, a yearend actual for FY 2000-2001 was 43%. In FY 1998-1999, FY 1999-2000, and FY 2000-2001, an indicator entitled "Average length of time to promulgate department rules and regulations (in months)" was used. The performance standard for all fiscal years was 9 months. In FY 1998-1999, the actual yearend figure was 9 months; in FY 1999-2000, 10 months. The number of department rules and regulations promulgated is reported as General Performance Information in the following table.
- ⁴ This indicator was introduced for FY 2001-2002. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. Although the department estimated a FY 2000-2001 yearend performance level of 80%, yearend actual for FY 2000-2001 was 56%. In FY 1998-1999, FY 1999-2000, and FY 2000-2001, an indicator entitled "Average length of time to issue internal legal and policy opinions (in weeks)" was used. The performance standard for FY 1998-1999 was 6 weeks; for FY 1999-2000 and FY 2000-2001, 4 weeks. In FY 1998-1999, the actual yearend figure was 6 weeks; in FY 1999-2000, 4 weeks. The numbers of internal legal and policy opinions requested and issued are reported as General Performance Information in the following table.
- ⁵ This indicator was introduced for FY 2001-2002. It did not appear under Act 11 of 2000 and has no performance standard for FY 2000-2001. Although the department estimated a FY 2000-2001 yearend performance level of 100%, and a yearend actual of 100% for FY 2000-2001.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: DIVISION OF LEGAL SERVICES					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of hearings in which DOI must be represented	Not Available	348	330 ¹	265	262
Number of cease and desist orders issued	Not Available	16	17	21	16
Number of internal legal and policy opinions requested	Not Available	6	16	29	28
Number of internal legal and policy opinions issued	Not Available	13	9	16	16
Number of department rules and regulations promulgated	Not Available	4	4	7	5

¹ The department's FY 1998-1999 Fourth Quarter Performance Progress Report and FY 1999-2000 Second and Fourth Quarter Performance Progress Reports reported a yearend actual of 146 in error. The correct FY 1998-1999 actual for this indicator is 330.

DEPARTMENT ID: 04-165 LOUISIANA DEPARTMENT OF INSURANCE
 AGENCY ID: COMMISSIONER OF INSURANCE
 PROGRAM ID: PROGRAM B - MARKET COMPLIANCE

16. (KEY) Through the Office of Receivership, to bring to court-approved closure all estates of companies in receivership at beginning of Fiscal Year 2001 by the end of Fiscal Year 2008, and to bring to court-approved closure within five years of their being placed in receivership all companies newly placed in receivership (after 7/1/01).

Strategic Link: This operational objective is related to Strategic Objective(s): 1.18.1 - *Manage the assets of estates of companies in receivership through liquidation of assets and court-approved closure.*

Louisiana: Vision 2020 Link: Not Applicable

Children's Cabinet Link: Not Applicable

Other Link(s): Not Applicable

Explanatory Note: Recovered assets of companies go to the companies' creditors, two of which are the Louisiana Insurance Guaranty Association and Louisiana Life and Health Insurance Guaranty Association; neither the State General Fund nor the Department of Insurance receive any monies from the recovered assets of the liquidated companies. No estate can be brought to final closure without court approval.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 2000-2001	ACTUAL YEAREND PERFORMANCE FY 2000-2001	ACT 12 PERFORMANCE STANDARD FY 2001-2002	EXISTING PERFORMANCE STANDARD FY 2001-2002	AT CONTINUATION BUDGET LEVEL FY 2002-2003	AT RECOMMENDED BUDGET LEVEL FY 2002-2003
K	Number of companies brought to court-approved closure ¹	6	3 ²	5 ³	5 ³	5	5
K	Total recovery of assets from liquidated companies	\$13,604,804	\$1,806,538 ⁴	\$13,604,804 ⁵	\$13,604,804 ⁵	\$6,785,000	\$6,785,000

¹ This indicator was formerly reported as "Number of companies brought to final closure." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measurement is made.

² Fewer than the expected number of estates were closed due to court delays; all closures require court approval.

³ Although the FY 2001-2002 performance standard is 5, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that, in view of the court delays and delays due to legal processes that it has experienced in the last two years, it anticipates a more reasonable yearend figure to be 3.

⁴ Fewer than the expected number of estates were closed due to court delays; and total recovery of assets of the liquidated companies was lower than anticipated.

⁵ Although the FY 2001-2002 performance standard is \$13,604,804, the department indicated in its FY 2001-2002 First Quarter Performance Progress Report that it anticipates the yearend figure will be \$12,543,334.

DEPARTMENT ID: 04H Department of Insurance

AGENCY ID: 04-165 Commissioner of Insurance

PROGRAM ID: Program B: Market Compliance

GENERAL PERFORMANCE INFORMATION: CONTRACT/POLICY FORMS REVIEW SECTION, QUALITY ASSURANCE DIVISION, OFFICE OF HEALTH					
PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00	PRIOR YEAR ACTUAL FY 2000-01
Number of companies in receivership (at beginning of ¹ fiscal year)	46	32	28	20	17
Number of companies brought to final court-approved closure during fiscal year	12	2	10	3	3
Total recovery of assets of liquidated companies	\$4,065,514	\$804,040	\$12,744,470	\$1,625,147	1,806,538

¹ This indicator was formerly reported as "Number of companies in some form of receivership (at beginning of fiscal year)." The indicator name has been changed by the department; no changes have been made in what the indicator measures or how that measure

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HEALTHCARE INSURANCE - PERSONS INSURED/NOT INSURED IN LOUISIANA		
2000 LOUISIANA POPULATION - 4,468,976		1999 LOUISIANA POPULATION - 4,372,035
ITEM	1,999	PERCENT OF POPULATION
PERSONS NOT COVERED BY HEALTH	984,000	22.5
PERCENTAGE OF POPULATION COVERED BY PRIVATE HEALTH INSURANCE		61.4
PERCENTAGE OF POPULATION COVERED BY GOVERNMENT HEALTH INSURANCE		29.5
MEDICARE ENROLLEES*	595,653	13.6
MEDICAID RECIPIENTS*	730,898	16.5

FY 2002-2003 PROGRAM PERFORMANCE FORM

DEPARTMENT ID: 04-165 LOUISIANA DEPARTMENT OF INSURANCE

AGENCY ID: COMMISSIONER OF INSURANCE

PROGRAM ID: PROGRAM B- MARKET COMPLIANCE

AUTOMOBILE INSURANCE COSTS AND COSTS AFFECTING THEM LOUISIANA COMPARED TO NATIONWIDE		
LOUISIANA'S RANKING	ITEM	COST
6th	Combined Average Premium	\$962.07
10th	Liability Average Premium	\$520.94
6th	Collision Average Premium	\$284.44
14th	Comprehensive Average Premium	\$156.69
9th	Average Repair Cost Per Claim	\$1,979.41
11th	Vehicle Thefts Per 1000 Vehicles	6.82
14th	Hospital Inpatient Days	3,361,008
7th	Number of Outpatient Visits	10,207,145
18th	Hospital Expenses	\$5,814,898,610

Combined premium would be the combination of liability, collision and comprehensive premiums

Liability coverages pay for damage or injury you cause to someone else

Collision coverage pays for damage to your vehicle as a result of a collision

Comprehensive coverage pays for damage to your vehicle from causes other than collision, pays for broken glass, damage by animals, vandalism, etc.

Source: All data in this chart taken from *National Association of Insurance Commissioners' Auto Insurance Database, 1998*